


ED/GO COMMITTEE #1
October 22, 2012
Worksession

MEMORANDUM

October 18, 2012

TO: Education Committee
Government Operations and Fiscal Policy Committee

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SUBJECT: **Worksession – OLO Report 2013-1, *Fiscal Planning and the New Maintenance of Effort Law***

Today the Education and Government Operations and Fiscal Policy (GO) Committees will have a worksession to discuss Office of Legislative Oversight (OLO) Report 2013-1, *Fiscal Planning and the New Maintenance of Effort Law*. The Council requested this OLO report to better understand the effects of the new Maintenance of Effort (MOE) law and the Board of Education's FY13 compensation changes on County fiscal planning.

The Council received and released this report on October 16, and received a presentation briefing at that time. The purpose of today's worksession is for Committee members to have follow-up discussion about the report with representatives from the Board of Education, staff from the Montgomery County Public Schools (MCPS), and Executive Branch staff.

To begin today's worksession, the Committees will receive an abbreviated version of the presentation given to the Council on October 16. OLO and Council staff highlight the following information as reference for today's discussion:

Summary of Findings: The report's five findings are attached at circles 1-6. The findings are in two parts: Part 1 summarizes how the General Assembly's actions to amend the MOE law will affect budget and fiscal planning in FY14 and beyond; Part 2 describes the Board's FY13 compensation decisions and their effect on future year MCPS budgets.

For the full version of the report, follow the links below to:

- Powerpoint presentation to the Council:
<http://www6.montgomerycountymd.gov/content/council/olo/reports/pdf/FiscalPlanningMOE.pdf>

- Companion document to the presentation:
<http://www6.montgomerycountymd.gov/content/council/olo/reports/pdf/2013-1.pdf>
- Video of October 16 Council briefing:
http://montgomerycountymd.granicus.com/GeneratedAgendaViewer.php?view_id=6&clip_id=3912 (*click on Agenda Item 4*)

Fiscal Planning Context: The County's approved tax-supported fiscal plan is attached on circles 12-14. This plan reflects the latest revenue projections and is necessarily a snapshot in time as of its adoption on June 26, 2012. The Council is scheduled to revisit and update the fiscal plan in early December. This review will incorporate the latest revenue estimates.

Finance Director Joseph Beach, Office of Management and Budget Director Jennifer Hughes, and Council Staff Director Steve Farber will be present today to provide additional information on the fiscal planning issues raised by the OLO report.

Maintenance of Effort Waiver Processes: A summary of the MOE law is attached on circles 7-10. Circles 9-10 outline the three waiver processes established in the new law. During the Council briefing, Councilmember Riemer requested additional discussion of the waiver processes. While the new law defines multiple waiver processes and adds factors for consideration in one waiver process, for purposes of fiscal planning the waiver processes remain uncertain and ultimately out of the Council's control.

MCPS Enrollment Projections: The latest MCPS six-year projections of total enrollment are attached at circles 15-16. Official enrollment is captured on September 30 of each year, and MCPS will update these projections later this fall. Council Vice President Navarro requested additional information about the MCPS projections for the next six years, and noted (as reflected on circles 15-16) that these projections show continued growth.

It is important to note that the attached tables show enrollment by grade level and total enrollment. MOE is calculated using a subset of the total enrollment. The primary difference is that MOE does not count Pre-Kindergarten and Head Start.

Additional County Funding that supports MCPS: During the Council briefing, Councilmembers requested information on County funds that are not appropriated to MCPS but that support the school system. The Education and Health and Human Services Committees had requested this analysis during budget deliberations this spring, and a May 2012 memorandum detailing this information is attached on circle 17. It shows that in FY13 a total of \$38.48 million of County funds supports programs related to MCPS, such as school health positions and crossing guards. In addition, the FY13 County budget includes \$122 million for MCPS related debt service and another \$58.9 million for OPEB pre-funding requirements on behalf of MCPS. The FY13 County funding that supports MCPS – in addition to the FY13 County appropriation of 1.4 billion – is \$219 million.

Education Committee Discussions: In its July discussion about the Board of Education's approval of the FY13 Operating Budget, the Education Committee raised a number of questions about staff allocation and changes and trends in the number of staff in different

categories. Specifically, the Committee requested that MCPS provide additional detail about what kinds of positions are included in the staffing categories and whether they are school-based or in central services.

MCPS has provided this clarifying information, attached on circles 18-19, which will add helpful details to the Committee's ongoing review of staffing trends in the school system. Staff notes that the positions with the largest numerical increase from FY10-13 are teachers, special education specialists, and building service workers, which are positions closely associated with enrollment. The relative share of each type of position remains essentially the same from FY10 to FY13. The Committee intends to discuss these trends further in a future worksession.

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FISCAL PLANNING AND THE NEW MAINTENANCE OF EFFORT LAW

FINDINGS

Project Assignment: In 2010, the Council adopted a balanced Six-Year Fiscal Plan to help the County achieve a structurally balanced budget for future years. Earlier this year, the Maryland General Assembly created conditions that challenge the Council's ability to achieve a structurally balanced budget. Specifically, the General Assembly:

- Amended the Maintenance of Effort (MOE) law, establishing a penalty provision that would intercept County income tax revenue equal to the amount by which the County reduced the per-student contribution amount from one year to the next and redirect it from the County to the Board.
- Approved a phased-in transfer of normal pension costs for MCPS teachers to the County.

In addition, the County Board of Education ("the Board") approved an FY13 operating budget that includes compensation changes that will put additional pressure on the FY14 and future year budgets.

The Council requested this OLO project to better understand the effects of the new MOE law and the Board's FY13 compensation changes on County fiscal planning. This summary presents OLO's findings in two parts: the first part summarizes how the General Assembly's actions will affect budget and fiscal planning decisions in FY14 and beyond; Part II describes the Board's FY13 compensation decisions and their effect on future year budgets.

I: HOW STATE AND BOARD ACTIONS CHANGE THE COUNCIL'S RESPONSIBILITIES

The 2012 Maintenance of Effort (MOE) law requires that the County provide MCPS with an annual minimum mandated per-student funding allocation. This allocation is based on the previous year's funding level and cannot be revised downward. Further, increases in the County's local contribution to MCPS that exceed MOE in any year are irrevocably built into the base; and, in subsequent years, MOE requirements are mandated at this new, higher figure.

Projections show MCPS enrollment will continue to rise at an average rate of 1.1% each year through FY18. This guarantees that, regardless of the County's financial situation, the Council's appropriation to MCPS will continue to rise, even if funding never exceeds MOE.

The passage of the MOE law significantly impacts how the County must address both short and long-term fiscal planning. In the short term, the County's approved Fiscal Plan projects a 5.2% reduction in resources available to the County Government and M-NCPPC in FY14. Furthermore, as MCPS enrollment in recent years has exceeded projections, funding MCPS at the MOE level could require nearly a 2% annual increase in the County's contribution to MCPS. Given current revenue projections, funding MCPS above MOE could require offsetting reductions in the County Government and M-NCPPC budgets in FY15 and beyond.

From a long-term perspective, a decision to fund MCPS above MOE in any one year establishes a new, permanently increased funding level. As such, when considering each year's operating budget, the Council must assess the availability of resources not only for the upcoming year, but for all future years as well.

Finding 1: Under the amended MOE law, a decision to exceed MOE in one year will permanently increase the County's annual per student contribution to MCPS. The County Government and M-NCPPC bear the entire risk of uncertain future year resources.

The amended MOE law creates a new risk exposure for Maryland counties (with stable or growing public school enrollment). Under the previous MOE law, Maryland counties could reassess public school funding levels annually and reduce the per student local contribution, if deemed necessary, to address changing economic conditions or community needs. As the new MOE law does not allow counties to lower the per student contribution, any increase in the local contribution to the school system would constitute a permanent, irreversible increase in a county's largest spending category.¹ In other words, a budget decision to increase the local per student contribution would not only affect the budget in that year, but in all subsequent years as well.

In addition to MOE, other variables that the County Council must consider when making long-term budget decisions include:

- **County Revenues.** County tax revenues are a function of economic conditions such as resident income and property values. These conditions are volatile and difficult to predict.
- **Public School Enrollment.** The MOE law establishes a minimum per student local contribution. As enrollment grows, the County must raise its contribution to MCPS. No other agency has a parallel guarantee of increased funding to accommodate increased demand.
- **"Non-Operating Budget Uses".** This term refers to County funding obligations not included in agency operating budgets including debt service payments, capital budget current revenue funding, reserve set-asides, and other post-employment benefits. Proper funding of these obligations is an important element in preserving the County's AAA bond rating.

The new MOE law shields MCPS from revenue downturns, changes in school enrollment, and escalating non-operating budget costs. Should these variables reduce resources available for agency use, the local contribution to MCPS cannot fall below the MOE-mandated amount. In contrast, the County Government and M-NCPPC bear the entire risk of declining resources. The Council must assess these risk factors in order to perform its long-term fiscal planning and annual budgeting responsibilities, specifically regarding the allocation of resources among K-12 education, public safety, transportation, economic development, and other County services.

Finding 2: Absent increased revenue, raising the local contribution to MCPS above the MOE requirement would necessitate offsetting reductions in other agency budgets in FY14 and potentially in FY15 and beyond.

According to the County's approved Fiscal Plan, resources available for agency use² are projected to increase at an average annual rate of 2.4% from FY13 through FY18. While the Fiscal Plan anticipates an upturn in revenues, the projected rate of growth for agency resources is significantly below the 8.7% annual average rate experienced between FY04 and FY08.

¹ The new MOE law does include waiver provisions. However, the waiver provisions do not authorize counties to lower the per student contribution without approval of State and/or Local Boards of Education. As the decision on a waiver is beyond the authority of the counties, counties cannot reasonably construct a budget under the assumption of a waiver.

² Resources available for agency use are the resources that the Council has available to appropriate to MCPS, the County Government, Montgomery College, and M-NCPPC.

At the same time that resources available for agency use are expected to remain tight, pressure exists from at least two cost drivers in the MCPS budget that could trigger offsetting reductions to other agency budgets.

- **Enrollment.** The MOE law requires the County's local contribution to MCPS to keep pace with actual enrollment growth. Under current MCPS enrollment projections, the County's contribution to the school system would increase by an average annual rate of 1.1% from FY13 through FY18. Over the past five years, however, actual enrollment exceeded MCPS' projections by an average rate of 0.7% per year. If actual enrollment continues to exceed projections by 0.7% per year, the annual County contribution to MCPS could increase by about 1.8% annually, instead of 1.1%.
- **Teacher Pensions.** Earlier this year, the Maryland General Assembly approved legislation mandating a phased-in transfer of public school teachers' normal pension costs to the counties. This shift in teacher pension costs will obligate the County to pay an additional \$27.2 million in FY13 increasing to \$44.4 million by FY16. Overall, factoring in the effects of both the pension cost shift and actual enrollment exceeding projections, the County's cumulative obligation to fund MCPS could grow by 2.1% per year from FY13 through FY18.

Thus, the State's new MOE and pension laws could require the County to increase its annual funding to MCPS by an average annual rate of 2.1% from FY13 to FY18, nearly the same growth rate projected for total resources available for agency use. Should the Council approve per student funding above the MOE level, then resources available for agencies other than MCPS would necessarily have to grow at a lower rate than MCPS, resulting in funding decreases for the County Government and M-NCPPC. Alternatively, the Council would need to raise additional revenues to generate sufficient resources to fund an increase in the MOE contribution and to preserve some budget growth for other agencies.

II: A REVIEW OF THE BOARD'S FY13 COMPENSATION CHANGES

All County agencies, including MCPS, faced severe budget constraints in FY10 through FY12. The Board of Education met this fiscal challenge by foregoing compensation increases for their staff and by cutting school-based positions. In FY11 and FY12, the Board approved budgets that did not include step increases or cost-of-living adjustments for MCPS employees. In addition, the Board reduced personnel costs by eliminating more than 500 school-based positions. Specifically,

- In FY11, the Board eliminated 252 classroom positions, increasing average class size by one student. This yielded savings of \$16.2 million in FY11 and FY12; and
- In FY12, the Board cut 266 school-based positions, including academic intervention teachers, assistant school administrators, college preparation teachers, counselors, English composition teachers, ESOL teachers, instrumental music teachers, media assistants, paraeducators, reading recovery teachers, and reserve teachers, and special education staff. This yielded savings of \$15.0 million in FY12.

For FY13, MCPS had sufficient resources at the MOE funding level to increase personnel costs by \$47 million. The Board chose to allocate the entire \$47 million to employee compensation through multiple forms of salary increases. Notably, the Board did not elect to spend any available resources to restore school-based positions cut in FY11 and FY12. Moreover, the Board approved compensation increases with full costs that will not fit within the FY13 budget and that will increase FY14 costs by an additional \$18 million.

Summary of Board's Compensation Decisions: The FY13 operating budget that the Board submitted to the Council included \$47 million reserved for unspecified compensation increases. (The Board did not finalize its compensation decisions before the Council completed work on the FY13 budget.) The Board could have taken one of three approaches to allocating the \$47 million:

- Increase the size of the workforce (e.g., restore some of the school-based positions eliminated because of budget constraints in FY11 and FY12);
- Increase employee compensation rates; or
- Increase both workforce size and employee compensation.

As the table shows, the Board chose to allocate the entire \$47 million to compensation increases, foregoing any restorations of school based positions cut in FY11 and FY12.

FY13 Compensation Change	FY13 Cost / (Savings)³
July 2012 Step (for employees hired before Feb. 2012)	\$33.2 million
May 2013 Step (for employees who would have been eligible for a FY11 step) (FY13 cost)	\$4.4 million
Longevity Increments (for employees who achieved longevity milestones in FY11-13)	\$5.9 million
Two percent salary adjustment for employees not eligible for step or longevity increment	\$7.0 million
Increase in co-pays for non-generic drugs and doctor visits (FY13 savings)	(\$4.5 million)

Finding 3: Approved FY13 MCPS compensation changes have a net annualized cost equivalent of approximately 750 positions.

Since budgeting involves tradeoffs, decisions that allocate resources between compensation and workforce size inherently carry an opportunity cost. The cost of allocating finite resources to increase compensation by the Board is a foregone opportunity to increase workforce size. Conversely, the cost of allocating resources to increase workforce size is a foregone opportunity to increase employee compensation.

In the FY13 MCPS budget, the Board elected to allocate its new personnel resources entirely to employee compensation increases. In FY13, the \$47 million cost of this decision is approximately equivalent to the cost of adding 550 full time equivalent positions (FTEs).⁴ In FY14, the \$18 million net cost of this decision is roughly equivalent to the cost of hiring 200 FTEs. In sum, the total cost of the FY13 compensation changes is equivalent to the cost of 750 additional positions.

³ All cost and savings estimates in this paper are tax supported amounts. Compensation changes will increase costs in MCPS non-tax supported funds by an additional \$0.7 million.

⁴ Based on the average cost per FTE (including salaries and locally paid benefits for all MCPS positions) of \$85,400.

Finding 4: The FY13 appropriation to MCPS was sufficient to both increase employee compensation and restore some staffing reductions.

As mentioned above, the Board approved FY11 and FY12 operating budgets that included no employee pay increases and eliminated more than 500 school-based positions. In FY13, the Board had sufficient funds within the \$2.03 billion appropriated by the Council to allocate \$47 million to increase employee pay, restore cut positions, or a combination of both. The table below displays some illustrative compensation alternatives and their corresponding savings compared to the Board-approved compensation package.

Examples of FY13 MCPS Compensation Alternatives

Compensation Alternative		FY13 Savings Compared to Board's Approved Compensation Package
1	Award \$2,000 Lump Sum Payment in Lieu of Salary Increases	\$3.2 million
2a	Award Single Step (no second step in May 2013) in July 2012	\$4.4 million
2b	in September 2012	\$9.9 million
2c	in January 2013	\$21.0 million
3	Postpone Longevity Adjustments	\$5.9 million
3a	Reduce Salary Increase of Employees Ineligible for Step/Longevity from 2% to 1%	\$3.5 million
3b	from 2% to 0%	\$7.0 million
3c	Raise Health Cost Share by 5%	\$6.5 million

Savings from select combinations of these alternatives would have been sufficient to restore some of the positions cut in the previous two years while still raising compensation. For example, the Board could have awarded a single full-year step without a second step (alternative 2a), saving \$4.4 million; and awarded a one percent salary increase for employees not eligible for step or longevity adjustments (alternative 3a), saving \$3.5 million. In sum, this package would have reduced costs by \$7.9 million compared to the package approved by the Board. A cost reduction of this amount would have been sufficient to restore funding (\$7.7 million) for 150 of the school-based positions eliminated in FY12, including all the positions listed below.

Academic Intervention Teachers	Assistant School Administrators
College Preparation Teachers	Counselors
English Composition Teachers	ESOL Teachers
Instrumental Music Teachers	Media Assistants
Paraeducators / Lunch Room Aides	Reading Recovery Teachers
Reserve Teachers	Special Education Staffing

Finding 5: The compensation changes included in the approved FY13 MCPS budget will increase FY14 costs by a net additional \$18 million. This amount is equivalent to about three-quarters of the required FY14 MOE funding increase triggered by growing student enrollment.

The State's MOE formula requires the County to increase next year's local contribution to MCPS to accommodate new students based on last year's actual enrollment growth. Under MOE, the County is projected to raise its FY13 contribution to MCPS by \$23.5 million in FY14 to account for an enrollment increase of approximately 2,000 K-12 students.

Beyond the \$47 million in compensation cost increases in FY13, the Board approved compensation changes that will increase FY14 costs by a net additional \$18 million. This will occur because the compensation package includes two items that will not fully take effect until FY14. Specifically,

- The Board approved a second step to be implemented in May 2013 that has an annualized cost of \$26.6 million. A relatively small portion of the annualized cost of the second step (\$4.4 million) will be incurred in FY13; the bulk of the cost of the second step (\$22.2 million) will not be incurred until FY14.
- The Board approved an increase in employee co-pays for some non-generic drugs and doctor visits. Implementation of this health plan item follows the calendar year. This measure will take effect in January 2013 and will reduce costs by an estimated \$4.6 million during the last six months of FY13; an additional \$4.6 million in savings will be realized in FY14.

All told, the FY14 cost of the second step minus the FY14 savings from the co-pay increase equals nearly \$18 million. This new obligation will consume about three-quarters of the required \$23.5 million FY14 MOE increase attributable to growing student enrollment.

In addition, two other Board decisions will put pressure on the FY14 MCPS operating budget:

- Both the Executive and the Council urged County agencies to offer lump sum payments in lieu of salary increases in FY13. The Board's decision to increase salaries raised base costs thereby creating a recurring obligation in FY14 and beyond.
- In FY12, the Council encouraged all County agencies, including MCPS, to control benefit costs by raising the employee share of health insurance premiums by five percent. The Board declined to adjust the MCPS health insurance cost share formula in both FY12 and FY13.

MAINTENANCE OF EFFORT REQUIREMENTS AND MCPS FUNDING

State Education law requires a local jurisdiction to fund its school system at a minimum level known as Maintenance of Effort (MOE). The State formula that determines the threshold funding level based on prior year enrollment and per student local contribution. In any year that the local appropriation exceeds the required funding level, the resulting higher per student amount becomes the minimum for the following year. The local contribution requirement is independent of any other funding, such as State or Federal aid. State law requires that each county maintain its per student funding level from year to year. Amendments to the MOE law in 2012 established a new funding floor, tightened eligibility requirements for the waiver process and strengthened the violation penalties.

Local Contributions to MCPS and State MOE Funding Requirements, FY02-FY13

Table 1-1 displays the County's annual per student funding requirements for MCPS under MOE and actual Council per student appropriations from FY02 to FY13.¹ In sum, for the ten-year period from FY03 through FY13, enrollment increased 10.1% and the County's local contribution increased 20.4%.

Table 1-1. Per Student MOE Requirements and Per Student Actual Contributions, FY02 to FY13

Fiscal Year	MOE Enrollment (Actual prior year enrollment)	Per Pupil Funding		Actual Contribution – MOE Requirement	Actual Contribution/ MOE Requirement
		MOE Requirement	Actual Contribution		
FY03	129,628	\$8,106	\$8,307	\$201	102%
FY04	132,619	8,307	8,566	259	103%
FY05	133,580	8,566	9,107	541	106%
FY06	134,432	9,107	9,539	432	105%
FY07	135,267	9,539	10,203	664	107%
FY08	134,631	10,203	10,794	591	106%
FY09	134,563	10,794	11,249	455	104%
FY10 (w/o debt)	135,969	11,249	10,664	(\$585)	95%
FY11	138,139	10,644	10,244	(\$400)	96%
FY12	140,394	10,644 ²	9,759	(\$885)	92%
FY13	142,757	9,759 ³	9,759	0	100%

Source: See footnote 1.

¹ Table 1-1 includes unpublished data compiled by MCPS, the County Council, and County Government to determine the County's annual MOE requirement. Exhibit 1-1, on page 11, shows FY10-FY12 per student MOE amounts for other Maryland counties.

² Prior to the 2012 amendments to MOE, the law provided that a county that had received a waiver in one year could base its next year's MOE amount on the higher of the previous two years. Since the County received a waiver in FY11, its FY12 amount is based on the FY10 per student amount.

³ The amended MOE law allows counties that have a local income tax rate of 3.2% and that missed MOE in FY2012 to rebase at the FY12 level in FY13.

Original Provisions in the State MOE Law

The State law related to MOE has three primary parts:⁴

- The **funding level** specifies that the local jurisdiction must appropriate at least as much per student as the prior year. As a result, the yearly minimum appropriation is the previous year's total local appropriation adjusted only for increases or decreases in enrollment. The law prohibits "artificial shifting" of programs between county and school budgets to affect the MOE calculation or meet the requirement. Md. Code Educ. 50202(d)(1) and (2)
- The **waiver provision** allows local jurisdictions to apply to the State Board of Education for a temporary or partial waiver from the MOE provisions. The original waiver provision had only one process in which the State Board could grant a waiver if it determined "that the county's fiscal condition significantly impedes the county's ability to fund the maintenance of effort requirement." It did not contain any factors for consideration, did not specify an appeal process, and required only that the Board hold a public hearing. The law indicated that the Board would establish regulations. Md. Code, Educ. 5-202(d)(7-10). As described below, the amended law addressed some of the shortcomings of the original law.
- The **penalty** for not meeting MOE originally required that if the State Superintendent or the State Board found that a county had not met MOE, the Comptroller must withhold the increase over the prior year allocated to a local jurisdiction in the General State School Fund. This penalty was limited to three streams of State aid, i.e, Foundation Aid, the Geographic Cost of Education Index (GCEI), and Supplemental Grants, accounted for in the General Education Aid category. The amended law changed the penalty provisions as described below.

2012 Amendments

The amendments approved by the General Assembly in 2012 changed all three parts of the MOE law. Generally, the amendments establish the State's five year moving average of education effort as a new funding floor; establish the authority to override local charter limits on property taxes; and create a penalty for noncompliance that intercepts and redirects county tax revenue to local school boards, effectively eliminating a county's fiscal authority to determine its own per student funding levels.

Amendments to the funding level provisions

The amendments establish the 5 year moving average of education effort as a new funding parameter for determining per student MOE amounts for some counties and exclude debt service from any MOE calculation.⁵ To ensure local share revenue exists to meet per pupil MOE requirements, the law also creates the authority to exceed a county charter's local property tax limits.

⁴ State of Maryland Code, § 5-202(d), 5-213

⁵ "Education effort" is a measure of education appropriation relative to the local wealth base. State law defines "wealth" as the sum of 100% of net taxable income (reported by the State Comptroller) plus 100% of the assessed value of the operating real property of public utilities, 40% of the assessed valuation of all other real property, and 50% of assessed value of personal property (reported by State Department of Assessment and Taxation). The "local wealth base" is the local portion of these values.

Changes to the per student MOE requirements. The new law adds a provision §5-202 (d)(2) that could increase the per pupil MOE requirement of counties whose education effort is below the statewide 5-year moving average. The provision states that if a county's education effort is below the statewide 5-year moving average, beginning in 2015 its per pupil amount will be increased by the lesser of: A) a county's increase in local wealth per student; B) the statewide average increase in local wealth per student; or C) 2.5%.

This provision ensures that the statewide average of education effort will not decrease. It could stay the same if local wealth tax bases remain static and counties do not increase their education appropriations. Or, it could be driven up if those factors or other economic conditions increase.

As noted below, under the amended MOE law, the statewide education effort 5-year average is an eligibility measure for one of the new waiver provisions. As such, this requirement puts potential upward pressure on the average and on all counties' appropriations.

Debt service exclusion. The new law explicitly excludes debt service incurred for school construction from any MOE calculation.

Authority to exceed charter property tax limits to fund education. Md. Code, Educ. §5-104 (a) provides that counties "shall levy and collect a tax on the assessable property of the county which, together with other local revenue available,...will produce the amounts necessary to meet the appropriations made in the approved annual budget of the county board."

The new law adds §5-104 (d), which allows property tax collection above any limit on rate or revenues set by a county charter "for the sole purpose of funding the approved budget of the county's board." It goes on to specify that all revenues collected above the charter limited amount be appropriated to the county board.

Amendments to the Waiver Provisions

The MOE law passed in the 2012 session establishes three processes for counties to obtain waivers from the MOE requirement. There is still no process to appeal the State Board's decision for any of the new waivers.

Fiscal condition waiver. Similar to the previous waiver process, this waiver allows a county to apply for a one-year waiver from the MOE requirement if a county can show that its fiscal condition "significantly impedes" its ability to fund MOE.

A county must apply to the State Board of Education, which must hold a public hearing and receive a preliminary assessment of the request from the State Superintendent. Then, the State Board can approve or deny the request in whole or in part. The law now specifies several factors for the State Board to consider in making its determination⁶. If a county receives this type of waiver, its next year's MOE requirement returns to the per student amount before the waiver.

⁶ The factors for consideration are: external environmental or economic factors; a county's tax base; rate of inflation relative to student population growth; statutory ability to raise revenues; history of exceeding MOE; agreement between a county and a local board; reductions in State aid; number of waivers a county has received in the last five years; and the history of compensation adjustments for county and local board employees.

Recurring cost waiver. This waiver allows a county to reduce its per student contribution by an amount attributable to recurring cost savings. The MOE reduction can be less than but cannot be more than the amount of the identified reduction in recurring costs. This amount must be agreed to by the local board of education and, if the reduction relates to personnel or personnel costs, by the employee bargaining unit. If this waiver is granted, the MOE per student amount is reduced by the agreed to amount going forward.

Rebasing waiver. A county that has applied for and received the one-year fiscal condition waiver can also request a waiver to reduce the per student amount going forward if it has “submitted sufficient evidence that the factors...will affect the county’s ongoing ability” to meet MOE.

To be eligible to receive this waiver a county must have an education appropriation greater than the statewide 5-year moving average of education effort (adjusted for local wealth). If a county meets both the waiver and funding criteria to apply, the State Board considers factors such as taxing authority and history of exceeding MOE in determining whether to approve the waiver. If the State Board approves the rebasing waiver, a county can be eligible for a waiver of 1, 2, or 3 percent of its MOE depending on the difference between the statewide 5-year moving average of education effort and the county’s 5-year average education effort.

In sum, the waiver processes remain uncertain and ultimately out of the Council’s control:

- The State Board of Education continues to have decision-making authority over MOE requests.
- One of the two processes to lower the per student requirement for more than one year requires approval of the local board and employee associations, who have a strong incentive to keep and reallocate any identified savings rather than reduce the required funding level.
- The other rebasing process has a high funding bar to clear for eligibility and a constrained waiver amount even if successful. The eligibility criteria of exceeding the statewide average will also be a moving target varying by statewide economic conditions, jurisdictions’ relative wealth, and other counties funding decisions.

Amendments to the Penalty Provisions

Income tax revenue penalty for noncompliance. The new penalty provision states that if a county is certified to be noncompliant with MOE, the Comptroller shall intercept county income tax revenue equal to the amount by which the county failed to meet MOE. The law then states that the Comptroller shall distribute that amount to the local board.⁷ The end result of this process is that it is impossible to fail to meet MOE.

⁷ The 2012 session added a new penalty section that follows the same process for a county’s failure to meet the local share of the foundation floor amount; however, this funding requirement is very low and not likely to be an issue.

Exhibit 1-1. Changes in Per Pupil Maintenance of Effort Amounts by Maryland School System, FY10-FY12

School System	Fiscal 2010		Fiscal 2011		Fiscal 2012		Change from Req FY 2010	
	Required	Appropriated	Required	Appropriated	Required	Appropriated	Dollars	Percent
Allegany	\$3,164	\$3,220	\$3,249	\$3,249	\$3,249	\$3,316	\$153	4.8%
Anne Arundel	7,700	7,713	7,713	7,713	7,713	7,550	(150)	-1.9%
Baltimore City	2,561	2,561	2,561	2,561	2,964	3,080	519	20.2%
Baltimore	6,339	6,647	6,647	6,647	6,647	6,648	309	4.9%
Calvert	5,899	6,198	6,198	6,316	6,316	6,660	761	12.9%
Caroline	2,312	2,312	2,377	2,377	2,377	2,377	65	2.8%
Carroll	5,620	6,001	6,001	6,001	6,001	6,011	391	7.0%
Cecil	4,375	4,376	4,376	4,376	4,376	4,376	1	0.0%
Charles	5,611	5,611	5,611	5,611	5,611	5,611	0	0.0%
Dorchester	3,941	3,941	3,941	3,941	3,941	3,770	(172)	-4.4%
Frederick	5,625	5,628	5,628	5,628	5,628	5,638	13	0.2%
Garrett	5,270	5,397	5,397	5,537	5,537	6,087	817	15.5%
Harford	5,528	5,599	5,599	5,678	5,678	5,701	172	3.1%
Howard	9,225	9,225	9,225	9,225	9,225	9,225	0	0.0%
Kent	8,000	8,328	8,328	8,328	8,328	7,925	(75)	-0.9%
Montgomery	11,249	10,664	10,664	10,244	10,664	9,758	(1,491)	-13.3%
Prince George's	4,428	4,332	4,429	4,429	4,429	4,429	1	0.0%
Queen Anne's	6,332	6,414	6,414	6,414	6,414	5,812	(519)	-8.2%
St. Mary's	4,639	4,639	4,640	4,640	4,640	4,686	47	1.0%
Somerset	3,165	3,178	3,178	3,192	3,192	3,194	29	0.9%
Talbot	8,032	8,034	8,034	8,034	8,034	7,611	(421)	-5.2%
Washington	4,059	4,135	4,136	4,136	4,136	4,136	77	1.9%
Wicomico	3,624	3,624	3,624	3,094	3,624	2,617	(1,007)	-27.8%
Worcester	11,389	11,389	11,389	11,389	11,389	11,389	0	0.0%

Note: Shaded boxes indicate funding below the required per pupil amounts.

Source: Maryland State Department of Education; Department of Legislative Services. "Maintenance of Effort Update: Presentation to the House Appropriations Committee and House Committee on Ways and Means," January 20, 2012, p.14, Exhibit originally titled "Seven Counties Have Reduced Their Per Pupil MOE Amounts for Fiscal 2013."

THE COUNTY'S APPROVED TAX SUPPORTED FISCAL PLAN SUMMARY

Under Section 302 of the County Charter, the County Executive must submit six year programs for public services and fiscal policy with his recommended budget in March and the Council must approve these programs around the time it approves the budget in May. Each six year fiscal plan summary displays current fiscal projections.

The approved FY13-FY18 Tax Supported Fiscal Plan¹, displayed on the following pages, shows:

- revenue assumptions;
- allocations to non-operating budget uses, e.g., debt service, reserves, retiree health insurance pre-funding;
- resources available for agency uses; and,
- agency allocations.

Assumptions exist for revenue and non-operating budget uses for FY13 through FY18; assumptions about the allocations for agency uses are projected through FY14. In keeping with a policy that the Council approved in 2010, the current fiscal plan summary is structurally balanced; it limits expenditures and other uses of resources to annually available revenues; and it separately displays reserves at policy levels.²

¹ See Council Resolution 17-479, Approval of the County's Tax Supported Fiscal Plan Summary for the FY13-18 Public Services Program, adopted June 26, 2012.

² See Council Resolution No. 16-1415, Reserve and Selected Fiscal Policies, adopted June 29, 2010.

County Council Approved FY13-18 Public Services Program

Tax Supported Fiscal Plan Summary

(\$ in Millions)															
	App. FY12	Estimate FY12	% Chg. FY12-13	App FY13	% Chg. FY13-14	Projected FY14	% Chg. FY14-15	Projected FY15	% Chg. FY15-16	Projected FY16	% Chg. FY16-17	Projected FY17	% Chg. FY17-18	Projected FY18	
	5-26-11		App/Bud	5-24-12											
Total Revenues															
1	Property Tax (less PDs)	1,462.2	1,437.0	0.0%	1,462.2	3.0%	1,505.8	3.1%	1,553.2	3.5%	1,608.2	3.5%	1,664.5	3.1%	1,715.4
2	Income Tax	1,117.2	1,227.1	13.1%	1,263.6	2.6%	1,296.6	6.6%	1,382.0	4.7%	1,446.4	3.5%	1,497.6	3.4%	1,548.2
3	Transfer/Recordation Tax	143.5	123.9	-4.8%	136.6	2.9%	140.5	5.6%	148.4	7.4%	159.4	7.4%	171.2	5.6%	180.8
4	Investment Income	1.6	0.2	-70.3%	0.5	33.6%	0.6	94.0%	1.2	134.2%	2.9	55.8%	4.5	26.3%	5.7
5	Other Taxes	325.3	311.6	-6.5%	304.1	1.4%	308.5	2.2%	315.1	1.7%	320.5	1.1%	324.1	0.9%	327.0
6	Other Revenues	842.2	839.0	4.9%	883.4	0.8%	890.2	0.2%	892.5	0.2%	894.6	0.2%	896.8	0.2%	899.0
7	Total Revenues	3,892.1	3,938.8	4.1%	4,050.4	2.3%	4,142.2	3.6%	4,292.5	3.3%	4,432.1	2.9%	4,568.8	2.6%	4,676.1
8															
9	Net Transfers In (Out)	41.3	40.1	-6.3%	38.7	2.9%	39.8	2.9%	40.9	2.7%	42.0	2.7%	43.1	2.7%	44.3
10	Total Revenues and Transfers Available	3,933.4	3,978.9	4.0%	4,089.0	2.3%	4,182.0	3.6%	4,333.4	3.2%	4,474.1	2.9%	4,601.9	2.6%	4,720.4
11															
12	Non-Operating Budget Use of Revenues														
13	Debt Service	296.2	279.0	2.5%	303.5	6.8%	324.3	9.6%	355.3	5.4%	374.6	4.1%	389.8	0.0%	389.8
14	PAYGO	31.0	31.0	-4.8%	29.5	20.3%	35.5	56.3%	55.5	0.0%	55.5	0.0%	55.5	0.0%	55.5
15	CIP Current Revenue	35.0	37.7	43.5%	50.2	62.1%	81.4	-26.8%	59.5	-2.7%	58.0	-1.8%	56.9	10.2%	66.1
16	Change in Montgomery College Reserves	(9.0)	(4.0)	46.4%	(4.8)	100.0%	-	n/a	-	n/a	-	n/a	-	n/a	-
17	Change in MNCPPC Reserves	(1.5)	(2.5)	30.6%	(1.1)	109.3%	0.1	27.9%	0.1	14.1%	0.1	0.4%	0.1	35.5%	0.2
18	Change in MCPS Reserves	(17.0)	10.5	0.0%	(17.0)	4.1%	(16.3)	100.0%	0.0	n/a	0.0	n/a	0.0	n/a	0.0
19	Change in MCG Special Fund Reserves	22.8	(0.5)	-12.5%	20.0	-99.9%	0.0	172.1%	0.1	25.2%	0.1	-9.6%	0.1	-10.6%	0.1
20	Contribution to General Fund Undesignated Reserves	66.4	104.5	-144.5%	(29.6)	108.7%	2.0	172.1%	5.4	25.2%	6.8	-9.6%	6.1	-10.6%	5.5
21	Contribution to Revenue Stabilization Reserves	20.4	45.1	3.6%	21.2	3.1%	21.8	4.1%	22.7	3.6%	23.5	3.6%	24.4	2.8%	25.1
22	Retiree Health Insurance Pre-Funding	49.6	49.6	112.3%	105.4	35.5%	142.8	20.4%	171.9	0.0%	171.9	0.0%	171.9	0.0%	171.9
23	Set Aside for other uses (supplemental appropriations)	0.2	0.2	-67.2%	0.1	30441.4%	20.1	0.0%	20.1	0.0%	20.1	0.0%	20.1	0.0%	20.1
24	Total Other Uses of Resources	494.3	550.6	-3.4%	477.5	28.1%	611.7	12.9%	690.7	2.9%	710.5	2.0%	724.9	1.3%	734.2
25	Available to Allocate to Agencies (Total Revenues+Net Transfers-Total Other Uses)	3,439.1	3,428.4	5.0%	3,611.5	-1.1%	3,570.3	2.0%	3,642.7	3.3%	3,763.6	3.0%	3,877.0	2.8%	3,986.2
26															
27	Agency Uses														
28															
29	Montgomery County Public Schools (MCPS)	1,950.9	1,923.8	4.0%	2,028.9	1.5%	2,058.4								
30	Montgomery College (MC)	218.0	214.6	0.4%	218.8	0.0%	218.8								
31	MNCPPC (w/o Debt Service)	94.3	94.3	4.9%	98.9	-5.2%	93.8								
32	MCG	1,175.8	1,195.7	7.6%	1,265.0	-5.2%	1,199.3								
33	Available to Allocate to Agencies FY15-18							n/a	3,642.7	3.3%	3,763.6	3.0%	3,877.0	2.8%	3,986.2
34	Agency Uses	3,439.1	3,428.4	5.0%	3,611.5	-1.1%	3,570.3	2.0%	3,642.7	3.3%	3,763.6	3.0%	3,877.0	2.8%	3,986.2
35	Total Uses	3,933.4	3,978.9	4.0%	4,089.0	2.3%	4,182.0	3.6%	4,333.4	3.2%	4,474.1	2.9%	4,601.9	2.6%	4,720.4
36	(Gap)/Available	0.0	0.0		0.0		0.0		0.0		0.0		0.0		0.0

Notes:

1. FY13 property tax revenue is \$26 million below the Charter limit using a \$692 income tax offset credit. The Charter limit is assumed FY14-18.
2. May 2010 fuel/energy tax revenue increase is reduced by 10% in FY13-18.
3. Reserve contributions at the policy level and consistent with legal requirements.
4. PAYGO, debt service, and current revenue reflect the approved FY13-18 Capital Improvements Program.
5. Retiree health insurance pre-funding is increased up to full funding by FY15 and then is flat beyond FY15. FY14 is year 7 of 8-year funding schedule.
6. State aid and other intergovernmental revenues are flat in FY14-18.
7. Projected FY14 allocation for MCPS and Montgomery College assumes County funding at maintenance of effort, plus the pension shift for MCPS. This allocation does not include potential increases to State aid and other possible agency resources, such as higher-than-expected fund balance.

County Council Approved FY13-18 Public Services Program

Tax Supported Fiscal Plan Summary

(\$ in Millions)

	App. FY12	Est FY12	% Chg. FY12-13	App. FY13	% Chg. FY13-14	Projected FY14	% Chg. FY14-15	Projected FY15	% Chg. FY15-16	Projected FY16	% Chg. FY16-17	Projected FY17	% Chg. FY17-18	Projected FY18
Beginning Reserves														
Unrestricted General Fund	66.9	64.0	152.0%	168.6	-17.5%	139.0	1.4%	141.0	3.8%	146.4	4.6%	153.2	4.0%	159.3
Revenue Stabilization Fund	94.1	94.5	47.7%	139.6	15.2%	160.8	13.6%	182.6	12.4%	205.3	11.5%	228.8	10.7%	253.2
Total Reserves	161.0	158.6	90.9%	308.1	-2.7%	299.8	7.9%	323.6	8.7%	351.7	8.6%	382.0	8.0%	412.6
Additions to Reserves														
Unrestricted General Fund	66.4	104.5	-144.5%	-29.6	106.7%	2.0	172.1%	5.4	25.2%	6.8	-9.6%	6.1	-10.6%	5.5
Revenue Stabilization Fund	20.4	45.1	6.0%	21.2	3.1%	21.8	4.1%	22.7	3.6%	23.5	3.6%	24.4	2.8%	25.1
Total Change in Reserves	86.9	149.6	-109.7%	-8.4	384.0%	23.8	18.1%	28.1	7.8%	30.3	0.6%	30.5	0.1%	30.6
Ending Reserves														
Unrestricted General Fund	133.3	168.6	4.3%	139.0	1.4%	141.0	3.8%	146.4	4.6%	153.2	4.0%	159.3	3.4%	164.8
Revenue Stabilization Fund	114.5	139.6	40.4%	160.8	13.6%	182.6	12.4%	205.3	11.5%	228.8	10.7%	253.2	9.9%	278.3
Total Reserves	247.8	308.1	20.9%	299.8	7.9%	323.6	8.7%	351.7	8.6%	382.0	8.0%	412.6	7.4%	443.1
Reserves as a % of Adjusted Governmental Revenues	6.1%	7.5%		7.1%		7.4%		7.8%		8.2%		8.7%		8.1%
Other Reserves														
Montgomery College	7.0	11.2	-7.6%	6.4	0.0%	6.4	0.0%	6.4	0.0%	6.4	0.0%	6.4	0.0%	6.4
M-NCPPC	3.7	4.8	0.7%	3.8	2.6%	3.9	3.2%	4.0	3.6%	4.1	3.5%	4.3	4.5%	4.5
MCPS	0.0	33.3	n/a	16.3	-100.0%	0.0	n/a	0.0	n/a	0.0	n/a	0.0	n/a	0.0
MCG Special Funds	2.6	(18.4)	-37.4%	1.6	1.4%	1.6	3.8%	1.7	4.6%	1.8	4.0%	1.8	3.4%	1.9
MCG + Agency Reserves as a % of Adjusted Govt Revenues	6.5%	8.3%		7.8%		7.7%		8.1%		8.5%		8.9%		9.3%
Retiree Health Insurance Pre-Funding														
Montgomery County Public Schools (MCPS)	20.0	20.0		58.9		80.3		101.6		100.9		99.7		99.7
Montgomery College (MC)	1.0	1.0		1.8		2.4		3.1		3.0		2.8		2.8
MNCPPC	2.6	2.6		3.4		6.3		7.7		7.4		7.2		7.2
MCG	26.1	26.1		41.4		53.8		59.5		60.6		62.2		62.2
Subtotal Retiree Health Insurance Pre-Funding	49.6	49.6		105.4		142.8		171.9		171.9		171.9		171.9
Adjusted Governmental Revenues														
Total Tax Supported Revenues	3,892.1	3,938.8	4.1%	4,050.4	2.3%	4,142.2	3.6%	4,292.6	3.3%	4,432.1	2.9%	4,558.8	2.6%	4,676.1
Capital Projects Fund	45.6	60.3	43.7%	65.5	52.1%	99.6	2.3%	101.9	-11.8%	89.9	1.1%	90.8	-11.0%	80.8
Grants	108.9	108.9	-1.7%	107.0	2.9%	110.1	2.9%	113.3	2.7%	116.3	2.7%	119.4	2.7%	122.6
Total Adjusted Governmental Revenues	4,046.6	4,108.0	4.4%	4,222.8	3.1%	4,351.9	3.6%	4,507.8	2.9%	4,638.3	2.8%	4,769.0	2.3%	4,879.6

Appendix A-1

Montgomery County Public Schools Actual and Projected Enrollment, 2011–2012 to 2017–2018

June 15, 2012

Grade Level & Program	Preliminary Enrollment	Projected Enrollment					
	2011–12	2012–13	2013–14	2014–15	2015–16	2016–17	2017–18
Prekindergarten	2,060	2,145	2,085	2,085	2,085	2,085	2,085
Head Start	618	618	618	618	618	618	618
Grades K–5	66,331	68,066	69,243	69,858	70,068	70,019	69,500
Grades 6–8	31,277	31,476	32,224	32,957	34,023	34,849	35,783
Grades 9–12	45,260	45,463	45,261	45,198	45,078	45,674	46,784
Total K–12	142,868	145,005	146,728	148,013	149,169	150,542	152,067
Pre-K Special Education	951	1,250	1,250	1,250	1,250	1,250	1,250
GRAND TOTAL	146,497	149,018	150,681	151,966	153,122	154,495	156,020

Source: Montgomery County Public Schools, Division of Long-range Planning.

Appendix A-2

Montgomery County Public Schools Actual and Projected Grade Enrollment, 2011-2012 to 2017-2018

June 15, 2012

Grades	Preliminary Enrollment	Projected Enrollment					
	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Kindergarten	11,415	11,450	11,300	11,100	11,000	10,900	10,900
Grade 1	11,347	11,819	11,850	11,700	11,500	11,400	11,300
Grade 2	11,286	11,449	11,919	11,950	11,800	11,600	11,500
Grade 3	11,064	11,365	11,524	11,994	12,025	11,875	11,675
Grade 4	10,765	11,135	11,440	11,599	12,069	12,100	11,950
Grade 5	10,454	10,848	11,210	11,515	11,674	12,144	12,175
Grade 6	10,527	10,499	10,898	11,260	11,565	11,724	12,194
Grade 7	10,246	10,627	10,599	10,998	11,360	11,665	11,824
Grade 8	10,504	10,350	10,727	10,699	11,098	11,460	11,765
Grade 9	12,313	12,002	11,850	12,227	12,199	12,598	12,960
Grade 10	11,958	12,019	11,702	11,550	11,927	11,899	12,298
Grade 11	10,761	10,990	11,019	10,702	10,550	10,927	10,899
Grade 12	10,228	10,452	10,690	10,719	10,402	10,250	10,627
K-5 Total	66,331	68,066	69,243	69,858	70,068	70,019	69,500
6-8 Total	31,277	31,476	32,224	32,957	34,023	34,849	35,783
9-12 Total	45,260	45,463	45,261	45,198	45,078	45,674	46,784
K-12 Total	142,868	145,005	146,728	148,013	149,169	150,542	152,067
Prekindergarten	2,060	2,145	2,085	2,085	2,085	2,085	2,085
Head Start	618	618	618	618	618	618	618
Pre-K Special Education	951	1,250	1,250	1,250	1,250	1,250	1,250
GRAND TOTAL	146,497	149,018	150,681	151,966	153,122	154,495	156,020

Source: Montgomery County Public Schools, Division of Long-range Planning.

MEMORANDUM

May 10, 2012

TO: Valerie Ervin, Chair, Education Committee
George Leventhal, Chair, Health and Human Services Committee

FROM: Essie McGuire, Senior Legislative Analyst *EM*

SUBJECT: County funding for services that support the Montgomery County Public Schools

In their April 26 worksession, the Education and Health and Human Services Committees requested information regarding County funding for services that support the Montgomery County Public Schools (MCPS). Below is a list of the recommended FY13 County funds that relate to MCPS. **The items on this list (excluding debt service) total \$38.48 million for FY13;** debt service for FY13 is budgeted at \$122 million.

School Safety

- **\$5.0 million** for 173 Crossing Guards, 4 support staff, and 3 Police Officer positions
- **\$700,000** for 6 Police Officers as Educational Facility Officers assigned to 25 Public High Schools

School Health

- **\$22.1 million** for 314 school health positions including nurses and health room technicians
- **\$732,000** for high school wellness centers

Linkages to Learning

- **\$4.7 million** for early intervention services to students and families of elementary and middle school communities with the highest indicators of poverty to address non-academic issues that may interfere with a child's success at school

Educational Supports

- **\$3.4 million** for suspension programs; reading, tutoring and mentoring programs; and community based Pre-Kindergarten programs

Stormwater Facility Maintenance

- **\$1 million** for maintenance of the school system's stormwater facilities to comply with the terms of the State issued Municipal Separate Storm Sewer System permit

Ballfield Maintenance

- **\$849,000** for Park and Planning to maintain ballfields at schools

Debt Service

- **\$122 million** to pay debt service on school construction

**TABLE 5
ALLOCATION OF STAFFING**

	POSITIONS	FY 2010	FY 2011	FY 2012	FY 2013	Diff FY13-10	% Chg FY13-10	FY 2013 School Based (SB), Support Operations (SO), Central Services (CS)
1	Executive	19.000	17.000	17.000	19.000	-		
2	Administrative - (directors, supervisors, program coordinators, executive assistants)	213.000	200.200	199.000	194.000	(19.000)	-8.9%	CS
3	Business/Operations Administrator - (leadership positions supervised by directors and supervisors)	94.000	94.000	92.000	92.000	(2.000)	-2.1%	CS
4	Other Professional - (12-month instructional/evaluation specialists)	210.800	198.500	186.900	183.800	(27.000)	-12.8%	CS
5	Principal/Assistant Principal	485.000	484.000	484.000	486.000	1.000	0.2%	SB
6	Teacher	10,408.500	10,239.670	10,281.220	10,445.670	37.170	0.4%	10,445.67 SB, 4.5 CS
7	Special Education Specialist (speech pathologists, physical/occupational therapists)	469.500	479.600	482.400	495.200	25.700	5.5%	SB
8	Media Specialist	201.500	197.500	189.200	190.200	(11.300)	-5.6%	SB
9	Counselor	467.000	461.000	451.300	453.300	(13.700)	-2.9%	SB
10	Psychologist	97.100	96.205	94.805	94.905	(2.195)	-2.3%	SB
11	Social Worker	14.100	14.805	13.905	14.405	0.305	2.2%	SB
12	Pupil Personnel Worker	47.000	45.000	45.000	45.000	(2.000)	-4.3%	SB
13	Instructional Aide and Assistant (paraeducators, media assistants, lunch-hour aides, parent assistants, instructional data assistants)	2,614.880	2,627.980	2,519.048	2,574.791	(40.089)	-1.5%	2,538.39 SB, 34.4 SO

	POSITIONS	FY 2010	FY 2011	FY 2012	FY 2013	Diff FY13-10	% Chg FY13-10	FY 2013 School Based (SB), Support Operations (SO), Central Services (CS)
14	Secretarial/Clerical/Data Support (secretarial, clerical, personnel/transportation/fiscal/other lower grade program/data assistants)	1,020.837	1,000.025	997.250	988.500	(32.337)	-3.2%	673.23 SB, 32 SO, 283.27 CS
15	IT Systems Specialist	144.500	143.000	131.000	131.000	(13.500)	-9.3%	91 SB, 6 SO, 34 CS
16	Security - (includes all positions except those in lines 2,3,14 above)	229.000	227.000	227.000	227.000	(2.000)	-0.9%	213 SB, 14 CS
17	Cafeteria - (Includes all positions except those in lines 2,3,14,15 above)	557.448	557.488	556.448	557.948	0.500	0.1%	557.948 SB
18	Building Services - (includes all positions except those in lines 2,3,14 above)	1,309.700	1,319.200	1,335.200	1,342.700	33.000	2.5%	1,261 SB, 81.7 CS
19	Facilities Management/Maintenance - (includes all positions except those in lines 2,3,14,15 above)	349.000	347.000	344.500	345.000	(4.000)	-1.1%	345 SO
20	Supply/Property Management - (includes all positions except those in lines 2, 3,14,15 above)	54.500	53.500	53.000	52.000	(2.500)	-4.6%	52 SO
21	Transportation - (includes all positions except those in lines 2,3 14,15 above)	1,694.750	1,695.750	1,687.650	1,687.650	(7.100)	-0.4%	1,687.65 SO
22	Other Support Personnel - (business, technology human resources,communications, printing, and other support staff)	248.800	245.260	224.400	223.075	(25.725)	-10.3%	230.07 CS
	TOTAL	20,949.915	20,743.683	20,612.226	20,843.144	(106.771)	-0.5%	

FY 13 School Based Position
FY 13 Support Operations Positions
FY 13 Central Services Positions

17,554.744 84.0%
2,159.050 10.0%
1,129.350 5.0%

20,843.144